

## Privy Council Office

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### Report on Plans and Priorities 2011-12

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The Right Honourable Stephen Harper  
Prime Minister of Canada

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Wayne G. Wouters  
Clerk of the Privy Council  
and Secretary to the Cabinet



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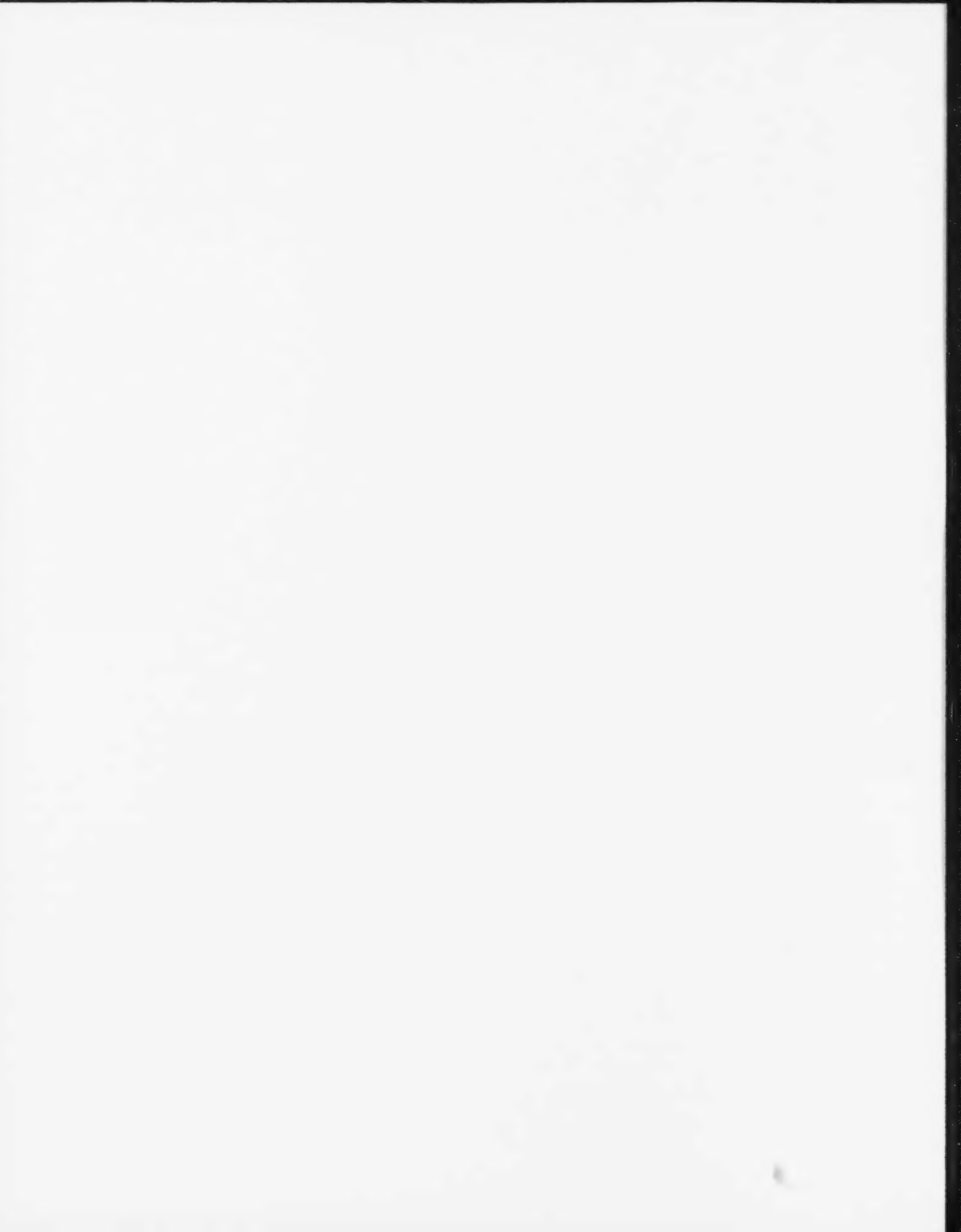
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## Prime Minister's Message



Looking forward to 2011-12, our Government will continue to focus on the long-term goal of ensuring that Canada remains well positioned in the global economy. Amid a fragile global recovery, Canada's Economic Action Plan has succeeded in stimulating our economy: in 2009-10 and 2010-11 alone, more than 26,000 infrastructure projects put Canadians to work. All told, our actions have helped to create nearly 460,000 jobs across the country. In fiscal year 2011-12, Canada's economy is expected to continue to grow, providing the conditions needed to support ongoing job growth that will benefit Canadian families and communities.

Over the past two years, the Privy Council Office has played a key role in helping the Government of Canada to implement its economic agenda. In 2011-12, the Privy Council Office will turn its attention to helping the Government phase out stimulus spending, restrain growth in government spending and promote economic

growth by entering the next phase of Canada's Economic Action Plan.

While our Government is focused on positioning Canada for leadership in the global economic recovery, it is also committed to delivering on other domestic priorities, including reforming the criminal justice system, reducing regulatory red tape, health and safety initiatives and maintaining the integrity of our immigration system.

The international outlook for the year ahead includes expanding Canada's trade interests and addressing major developments in international affairs. In particular, Canada will pursue a secure and prosperous relationship with the United States in the context of a perimeter strategy, strengthen and diversify trade relations with emerging markets, and seek bilateral trade agreements. In 2011-12, the Privy Council Office will provide advice and support on these and other international issues, including transitioning to our new training and development role in Afghanistan.

The Government of Canada believes that accountability for how goals are achieved matters and that government spending must be carefully managed. In 2011-12, the Privy Council Office will continue to support federal efforts to control government spending and, to this end, will work with the Treasury Board Secretariat to ensure that government departments focus efforts in priority areas. Additionally, the Privy Council Office will continue to promote excellence in the Public Service of Canada by maintaining its emphasis on renewal.

Through these and other efforts, the Privy Council Office remains committed to enhancing the vitality of the Public Service of Canada and to providing the necessary support to enable the Government of Canada to deliver on its priorities and achieve its goals. I am pleased to present the 2011-12 Report on Plans and Priorities for the Privy Council Office and the Public Appointments Commission Secretariat.

## **Section I – Overview**

### **Raison d'être**

The Privy Council Office (PCO) provides non-partisan, public service support to the Prime Minister and to the Cabinet and its decision-making structures.

The mandate of PCO is to serve Canada and Canadians by providing the best professional, non-partisan advice and support to the Prime Minister, the ministers within the Prime Minister's portfolio and the Cabinet. PCO supports the development of the Government of Canada's policy agenda; coordinates responses to issues facing the Government and the country; and supports the effective operation of the Cabinet. As Head of the Public Service of Canada, the Clerk of the Privy Council sets strategic direction and oversees all major issues for the Public Service.

### **Organizational Information**

Led by the Clerk of the Privy Council, PCO helps the Government to implement its vision and to respond effectively and quickly to issues facing the Government and the country.

PCO has three main roles.

#### **Advice to the Prime Minister**

PCO brings together quality, objective policy advice and information to support the Prime Minister, the ministers within the Prime Minister's portfolio and the Cabinet. This includes:

- Non-partisan advice and information from across the Public Service
- Consultation and collaboration with international and domestic stakeholders inside and outside of government (including coordination with provincial and territorial governments)
- Information on the priorities of Canadians

Secretariat to the Cabinet

PCO facilitates the smooth, efficient and effective functioning of Cabinet and the Government of Canada on a day-to-day basis. This includes:

- Management of the Cabinet's decision-making system
- Coordination of departmental policy proposals to Cabinet, with supporting policy analysis
- Scheduling and support services for meetings of Cabinet and Cabinet committees
- Advancing the Government's agenda across federal departments and agencies and with external stakeholders
- Advice on Canada's Westminster style of government, on government structure and organization, and on Governor-in-Council appointments
- Preparation of Orders in Council and other statutory instruments to give effect to Government decisions
- Administrative services to the Prime Minister's Office, PCO ministers and commissions of inquiry

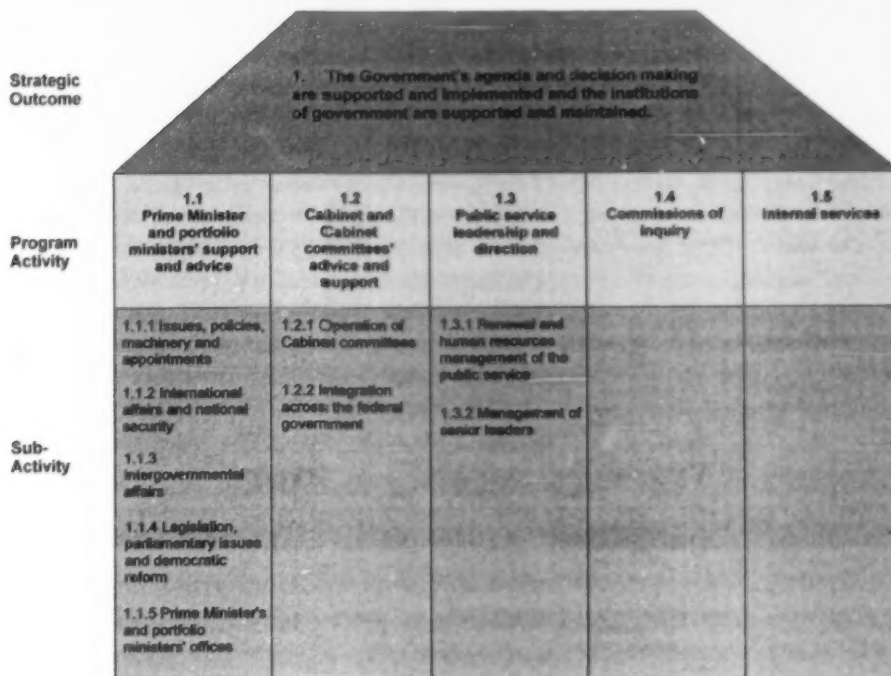
Public Service Leadership

PCO supports the development and maintenance of a high quality Public Service that meets the highest standards of accountability, transparency and efficiency, one that is able to deliver the best advice to government and excellent services to Canadians. This includes:

- Managing the recruitment and appointment process for senior positions in federal departments, Crown corporations and agencies
- Guiding policy on people management issues and Public Service Renewal
- Building the capacity of the Public Service to meet emerging challenges and the changing responsibilities of government

For more information on PCO's main roles, please visit PCO's website (<http://www.pco-bcp.gc.ca>).

## Strategic Outcome and Program Activity Architecture (PAA)<sup>1</sup>



## Planning Summary

### Financial Resources (thousands of dollars)

2011-12	2012-13	2013-14
140,688	134,463	134,731

### Human Resources (Full-time Equivalent – FTE)

2011-12	2012-13	2013-14
1,020	987	987

## Strategic Outcome

*The Government's agenda and decision making are supported and implemented and the institutions of government are supported and maintained.*

<sup>1</sup> There are no modifications to the English-language strategic outcome statement or program activity titles; however there are some modifications to the French-language equivalents. A full crosswalk of PCO's 2010-11 and 2011-12 PAA titles can be found on PCO's website.



**Summary Table of Planned Spending by Program Activity<sup>2</sup>**

(thousands of dollars)

Program Activity <sup>3</sup>	Forecast Spending 2010-11	Planned Spending			Alignment to Government of Canada Outcomes: "Government Affairs"
		2011-12	2012-13	2013-14	
Prime Minister and portfolio ministers' support and advice	71,879	68,493	66,875	66,876	Strong and independent democratic institutions
Cabinet and Cabinet committees' advice and support	17,605	17,478	15,086	15,088	Strong and independent democratic institutions
Public service leadership and direction	3,936	3,672	3,771	3,967	Well-managed and efficient government operations
Commissions of inquiry <sup>4</sup>	15,185	762	0	0	A transparent, accountable and responsive federal government
Internal services <sup>5</sup>	56,620	50,283	48,731	48,800	
<b>Total Planned Spending</b>	<b>165,225</b>	<b>140,688</b>	<b>134,463</b>	<b>134,731</b>	

**Contribution of Priorities to Strategic Outcome**

PCO has four ongoing priorities:

Operational Priority 1	Support the Prime Minister in exercising his overall leadership responsibility.	Ongoing
Operational Priority 2	Focus on key policy and legislative areas and strengthen medium-term policy planning.	Ongoing
Operational Priority 3	Support management and accountability of government.	Ongoing
Management Priority	Strengthen PCO's internal management practices.	Ongoing

<sup>2</sup> Planned spending is defined as spending that is expected to be incurred in a fiscal year and for which Cabinet and/or Treasury Board approval has already been obtained.

<sup>3</sup> For Program Activity descriptions please see Section II.

<sup>4</sup> Spending under Commissions of inquiry includes funds for PCO financial and administrative advice as well as funds to support the inquiries themselves.

<sup>5</sup> PCO operates in a highly centralized environment where many costs normally assumed by line managers are covered through Internal services and are not reallocated to individual program activities (e.g. desktop computers, printers, Blackberries, furniture and equipment, supplies, printing and graphics, messenger services and telecommunications).

PCO's four priorities are closely tied to its organizational role and mandate:

- PCO's first priority facilitates the Prime Minister's exercise of his responsibilities as head of Government and his leadership role in delivering benefits to Canadians.
- PCO's second priority supports the proper functioning of Cabinet and the exercise of the Prime Minister's responsibilities as leader of Cabinet and leader of decision making for the medium-term policy agenda.
- PCO's third priority contributes to public service governance, management and service delivery.
- PCO's fourth priority secures organizational capacity into the future and ensures the proper functioning of PCO in its supporting and advisory roles.

As illustrated in the tables below, PCO's four priorities help to shape plans for the delivery of advice and support under four program activities:

<b>Operational Priority 1</b>
Support the Prime Minister in exercising his overall leadership responsibility.
Program Activity 1.1: Prime Minister and portfolio ministers' support and advice
Plans to meet this priority: <ul style="list-style-type: none"><li>• Assist the Prime Minister in taking steps to sustain Canada's economic recovery in a period of budgetary restraint.</li><li>• Help the Prime Minister to deliver on domestic priorities, with a view to promoting sustained economic growth, and managing emerging challenges as they arise.</li><li>• Provide support and advice to the Prime Minister on a range of national security and international issues, including advancing Canada's trade interests and addressing major developments in international affairs.</li><li>• Provide support and advice to the Prime Minister with regard to his constitutional responsibilities and the management and achievement of the legislative agenda.</li></ul>

**Operational Priority 2**

Focus on key policy and legislative areas and strengthen medium-term policy planning.

Program Activity 1.1: Prime Minister and portfolio ministers' support and advice

Program Activity 1.2: Cabinet and Cabinet committees' advice and support

Plans to meet this priority:

- Assist the Prime Minister, portfolio ministers, the Cabinet and Cabinet committees in developing policy, program and legislative initiatives to sustain Canada's economic and social development in a period of fiscal restraint.
- Help the Prime Minister, portfolio ministers, the Cabinet and Cabinet committees to deliver on plans to provide the conditions for economic growth and to further benefits to Canadian families and communities.
- Provide support and advice to the Prime Minister, portfolio ministers, the Cabinet and Cabinet committees on a range of national security, intergovernmental and international issues, including advancing Canada's trade interests and addressing major developments in international affairs.
- Provide support and advice to the Prime Minister with regard to his constitutional responsibilities, and to the Prime Minister, portfolio ministers, the Cabinet and Cabinet committees in the management and achievement of the legislative agenda.

**Operational Priority 3**

Support management and accountability of government.

Program Activity 1.3: Public service leadership and direction

Plans to meet this priority:

- Promote excellence across the Public Service of Canada, through Public Service Renewal and implementation of the Administrative Services Review.

**Management Priority**

Strengthen PCO's internal management practices.

Program Activity 1.5: Internal services

Plans to meet this priority:

- Advance efforts to achieve greater efficiency and effectiveness at PCO.

Together, PCO's plans and priorities contribute to the achievement of its strategic outcome:

***The Government's agenda and decision making are supported and implemented and the institutions of government are supported and maintained.***

## **Risk Analysis**

PCO plays an important and unique role in contributing to the Government of Canada's agenda and decision making. Its success rests on its ability to fulfill its mission to serve Canada and Canadians by providing the best professional, non-partisan advice and support to the Prime Minister, portfolio ministers and the Cabinet.

Though traditional in terms of role and mandate, PCO has made many changes over the past decade – primarily in response to a rapidly changing policy environment and to an increasingly complex operating environment. Plans to manage these challenges and their associated risks include adopting proactive human resource strategies and maintaining modern and effective corporate services.

### **Rapidly changing policy environment**

As Canada emerges from the global economic recession, PCO will increasingly be called upon to provide sound, well-reasoned, strategic advice about maintaining Canada's leadership in the global recovery. Much of this strategic advice and support relates to immediate priorities such as balancing spending and growth and positioning Canada to buffer uncertainties as the economy continues to stabilize. Over the coming year, PCO will continue to shift the focus of its advice and support from the analysis of the global recession and its impacts, to the development of longer term strategies for sustained economic recovery. The changing nature of the forward economic agenda, coupled with shifting demographics and differing economic circumstances among the provinces, means that over the next few years, PCO will need to maintain specialized expertise in areas linked to productivity, growth and fiscal balance. Moreover, as the economic recovery becomes more sustainable, PCO can also expect that recalibration of efforts and resources will be required to bring the medium-term socioeconomic agenda in line with the emerging fiscal context of recovery and restraint – while simultaneously advancing medium-term policy challenges.

### **Complex operating environment**

PCO's institutional value also rests on its ability to ensure that the day-to-day business of governing, particularly in the context of a minority government, is

managed as effectively and efficiently as possible. Much of this work involves providing support to the Prime Minister, portfolio ministers and the Cabinet through coordinating horizontal files, integrating policy advice and communicating policy decisions. PCO also supports key functions of government by playing a challenge function in relation to line departments. In this capacity, PCO evaluates policy proposals before they are submitted for decision, thereby helping to ensure that the Government is provided with timely, coherent and integrated advice. As many of the issues addressed today are complex and require extensive coordination with a large number of departments, PCO will need to continue to improve its ability to collaborate.

### **Competition for specialist staff and demanding work environments**

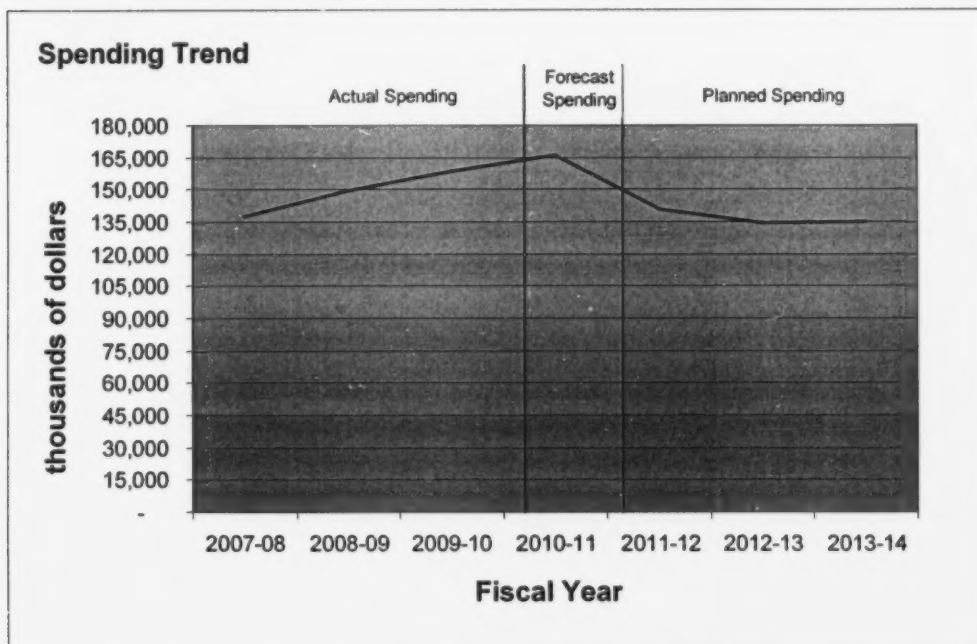
The challenges that PCO faces today, such as a rapidly changing policy environment and a highly complex operating environment, are further compounded by increased competition for suitably qualified specialist analysts and advisors. Within this context, PCO must redouble its efforts to cultivate dedicated, creative and adaptable personnel, and to support effective and collaborative workplace environments. While PCO staff have consistently indicated high levels of satisfaction with their work and taken pride in their results, increasing competition for staff and the growing complexity and changing nature of PCO's work mean that careful attention must be paid to ensuring that the right people are in the right jobs, that the workforce is representative of the diversity of the Canadian population and that healthy work environments are supported. Accordingly, in 2011-12, PCO will continue to implement strategies to support career development, empowerment and innovation, and healthy work environments. Initiatives include launching the PCO Code on Values and Ethics, implementing the Administrative Support Community Action Plan, and supporting employee-led initiatives for wellness and the Young Professionals Network.

## Expenditure Profile

### Departmental Spending Trend 2007-08 to 2013-14

(thousands of dollars)

Actual Spending			Forecast Spending	Planned Spending		
2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
137,692	149,329	158,601	165,225	140,688	134,463	134,731



The overall increase in spending of \$20.9 million from 2007-08 to 2009-10 is mainly attributable to:

- new temporary initiatives undertaken by PCO, including the establishment of the Office of the Coordinator of the 2010 Olympics and G8 Security (2010 Olympics and G8 Security); the creation of the Afghanistan Task Force (ATF); and the implementation and coordination of a government-wide communications strategy for Canada's Economic Action Plan (EAP);
- new permanent initiatives undertaken by PCO, including the incorporation of the Public Service Renewal secretariat, and measures taken to address operating requirements and permanently eliminate various chronic funding pressures within the department; and



- salary increases, combined with other salary-related items such as severance pay and parental leave.

The above increases are partially offset by a forecast decrease in spending under Commissions of inquiry.

The forecast increase in spending of \$6.6 million from 2009-10 to 2010-11 is mainly attributable to:

- the new Commission of Inquiry into the Decline of Sockeye Salmon in the Fraser River (Cohen Commission); and
- new permanent and temporary initiatives undertaken by PCO in 2009-10 and 2010-11, including the launch of the Administrative Services Review (ASR); the establishment of the Office of the Special Advisor on Human Smuggling and Illegal Migration (Office of the Special Advisor); the creation of a Panel of Arbiters for the review of documents related to the transfer of Afghan detainees by the Canadian Forces; and enhanced departmental security.

These increases are partially offset by the winding up of activities of the Office of the Coordinator of the 2010 Olympics and G8 Security, which completed operations in 2010-11; and a decrease in salary-related items such as severance pay and parental leave.

PCO expects planned spending to decrease between 2011-12 and 2013-14. Reasons for the expected decrease include the following: under the terms of reference for the Cohen Commission, the Commissioner must submit, on or before May 1, 2011, a final report(s) to the Governor in Council. Additionally, during this period funding will cease for EAP communications initiatives and for the ATF. At this point, there is no approved spending forecast beyond 2010-11 for the ASR, the Office of the Special Advisor, the Panel of Arbiters and salary-related items.

### **Voted and Statutory Items**

For information on our organizational votes and/or statutory expenditures, please see the 2011-12 Main Estimates publication. An electronic version of the Main Estimates is available at <http://www.tbs-sct.gc.ca/est-pre/index-eng.asp>.

## **Section II – Analysis of Activities by Strategic Outcome**

### **Strategic Outcome**

The Privy Council Office mandate derives from the structures and traditions of the Westminster style of parliamentary government. Advice and support to the Queen's Privy Council for Canada – of which Cabinet is the active component – are central to PCO's role. PCO also provides direct advice and support to the Prime Minister and portfolio ministers in executive decision making.

PCO has a single strategic outcome that is directly informed by its mandate:

The Government's agenda and decision making are supported and implemented and the institutions of government are supported and maintained.

PCO's advisory and supporting roles include facilitating executive-level decision making on an issue-by-issue basis, supporting the implementation and communication of the Government's agenda, and maintaining institutions of executive-level governance such as the Cabinet, including, at times, providing advice to the executive arm of government on how to adjust these institutions. Further to this, PCO provides advice and support to the Prime Minister and Cabinet on the Governor-in-Council appointments process.

PCO also supports the Clerk of the Privy Council in his role as Head of the Public Service of Canada. This responsibility involves providing central direction and coordination to government-wide Public Service Renewal efforts and to the management of senior public service leaders.

As a small central agency, PCO's activities are not centred on direct delivery of programs and services to Canadians. Instead, PCO pursues its strategic outcome through three main functions, all of which support the Government's delivery of benefits to Canadians:

- Advice and support to the Prime Minister and to five portfolio ministers (the Leader of the Government in the House of Commons, the Leader of the Government in the Senate, the President of the Queen's Privy Council and Minister of Intergovernmental Affairs, the Minister of State for Democratic Reform, and the Minister of State and Chief Government Whip), which helps the Government to develop, implement and communicate its agenda, as well as to structure institutions for decision making and delivery of programs;
- Advice and support to the Cabinet, which helps to ensure effective decision making, integrate policy and program activities across departments, advance



the Government's program and legislative agenda in Parliament, and support the collective responsibility of the Government; and

- Public Service leadership and direction, which helps to ensure that the Public Service is responsive to direction from the government of the day and evolves as an effective, professional institution over the long term.

As needed, PCO also serves as a focal point for administrative and financial support to commissions of inquiry. All of these activities are sustained by PCO's internal services, from human resources and financial management to information technology and security services.

## Program Activities

Five program activities support PCO's main functions and single strategic outcome.

### Program Activity 1.1: Prime Minister and portfolio ministers' support and advice

#### Description

PCO provides advice and support to the Prime Minister and portfolio ministers on the full range of issues and policies, including: foreign affairs, national security and defence, the economy, intergovernmental relations, the environment, appointments, constitutional responsibilities, the structure of government, machinery changes, legal counsel, and social, economic and regional development. As part of these activities, PCO analysts seek briefings from other government departments, analyze publicly available research and reports, consult with provinces, territories and leading subject-matter experts, and provide communications advice.

This program activity also captures the budgets of the Prime Minister's Office and the offices of portfolio ministers. These efforts ensure that the Prime Minister and portfolio ministers are supported in carrying out their responsibilities to Canadians.

Human Resources (FTEs) and Planned Spending (thousands of dollars)					
2011-12		2012-13		2013-14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
527	68,493	515	66,875	515	66,876

Program Activity Expected Results	Performance Indicators	Targets
The Prime Minister and portfolio ministers are able to carry out their respective responsibilities.	<p>The Prime Minister and portfolio ministers are provided with value-added information on which to base decisions.</p> <ul style="list-style-type: none"> <li>• Number of Orders in Council</li> <li>• Number of Governor-in-Council appointments</li> <li>• Number of federal-provincial-territorial meetings</li> </ul> <p>Advice to the Prime Minister and the portfolio ministers is provided in a timely manner.</p> <p>PCO advice enables the Government to achieve its legislative and policy agenda.</p> <p>The Prime Minister is provided with support for visits.</p> <ul style="list-style-type: none"> <li>• Number of visits</li> <li>• The Prime Minister's Office and the offices of portfolio ministers receive the necessary services and resources in a timely manner.</li> </ul>	In the absence of targets, information related to support and advice to the Prime Minister and portfolio ministers is being collected. Over time, this information will support trend analysis and will contribute to efficient operations.

### Planning Summary

In 2011-12, plans for the five program sub-activities under Prime Minister and portfolio ministers' support and advice include the following:

#### Issues, policies, machinery and appointments

PCO will focus efforts under this program sub-activity on assisting the Government to take steps to sustain Canada's economic recovery and encourage growth. As part of economic recovery, the Government has committed to a return to budgetary balance through phasing out stimulus spending and setting frameworks for sustained growth. In addition to supporting the development and delivery of the forward economic agenda, PCO will assist the Government to restrain growth in government spending and will work with the Treasury Board Secretariat to ensure that government departments focus efforts in priority areas.

Also under this program sub-activity, PCO will help the Government to deliver on domestic and international priorities and to manage emerging challenges, and will advise, coordinate and support the Prime Minister and Cabinet on Governor-in-Council appointments.

Additionally, PCO will provide support, advice and analysis to the Prime Minister on his constitutional responsibilities and on the structure of government, and will make recommendations on proactive and strategic machinery changes.

### **International affairs and national security**

PCO will focus efforts under this program sub-activity on providing support, advice and analysis on a range of foreign policy, defence, international development and security issues, including: pursuing greater economic opportunity for Canada (with a focus on growing and emerging markets); building a comprehensive security and prosperity strategy for relations with the United States and the Americas; coordinating an integrated, whole-of-government approach for Canada's engagement in Afghanistan (including an integrated strategy for the transition of Canada's mission in 2011); asserting Canada's leadership in emerging global governance (including leadership on issues linked to economic recovery, financial reform, peace and security, development, energy and climate change); managing the full range of security threats facing Canada; and promoting maternal and child health.

### **Intergovernmental affairs**

PCO will provide advice, analysis and support on a variety of policies, communications and parliamentary issues linked to intergovernmental affairs, including advice on topics such as fiscal federalism, constitutional and legal issues, and Canadian unity. PCO will also provide advice to the Government on the renewal of major fiscal transfers to the provinces and territories (e.g. the Canada Health Transfer and the Canada Social Transfer). In addition, PCO will continue to support the Prime Minister, as required, in planning and implementing First Ministers' Meetings and bilateral engagements with provincial and territorial counterparts.

### **Legislation, parliamentary issues and democratic reform**

PCO will support and provide advice on the development, coordination and implementation of the Government's legislative program and democratic reform agenda to the Prime Minister, the Leader of the Government in the House of Commons, the Leader of the Government in the Senate and the Minister of State for Democratic Reform.<sup>6</sup> In addition, administrative support will be provided to the Minister of State and Chief Government Whip.

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<sup>6</sup> <http://www.democraticreform.gc.ca>

## **Prime Minister and portfolio ministers' offices**

PCO will continue to provide support under this sub-activity, which captures funding for the Prime Minister's and portfolio ministers' political offices.

### **Planning Highlights**

#### **Program Activity 1.1: Prime Minister and portfolio ministers' support and advice**

Assist the Prime Minister and portfolio ministers in taking steps to sustain Canada's economic recovery in a period of budgetary restraint, for example, by:

- providing advice on short- and medium-term economic developments and challenges, and advancing discussions on topics such as economic recovery, deficit reduction and bringing closure to stimulus measures;
- monitoring the global economy for signs of uncertainty and the domestic economy for signs of uneven growth, and managing social and economic policy development in the context of a return to balanced budgets; and
- promoting effective and efficient intergovernmental relations with the provinces and territories in support of continued prosperity and competitiveness.

Help the Prime Minister and portfolio ministers to deliver on domestic priorities, with a view to promoting sustained economic growth, and manage emerging challenges as they arise. This includes:

- advising on and supporting the development of domestic policy priorities in the Government's agenda, including shorter term priorities identified in the Speech from the Throne and Budget 2011 and longer term priorities such as those linked to labour force development, health and safety, Aboriginal program reform, immigration system integrity, economic growth and competitiveness, the balancing of economic and environmental objectives, and the creation of quality, sustainable jobs;
- advising on and supporting policies relating to federal-provincial-territorial relations, including advising on the renewal of major fiscal transfers to the provinces and territories (e.g. the Canada Health Transfer and the Canada Social Transfer), and advising and supporting the Minister of Intergovernmental Affairs;
- advancing strategic communications on a variety of short- and medium-term domestic issues in a complex and rapidly changing policy environment; aligning government-wide strategic communications around individual initiatives and projects; and continuing to modernize the communications function, with a focus on providing effective strategic communications advice in a complex "24 hours a day, 7 days a week, 365 days a year" news environment;
- supporting the Prime Minister's leadership role through management of issues, ensuring timely, professional, non-partisan advice and analysis to

the Prime Minister and responding to requests for information;

- conducting fair, open and competency-based Governor-in-Council appointment processes, and supporting the development and delivery of responsive, high quality compensation policies and services; and
- contributing to the strong and competent leadership of federal agencies, tribunals, boards, commissions and Crown corporations, including: supporting the Governor in Council through identifying and recruiting high-calibre candidates and supporting appointees in their understanding of ethical and political guidelines and the statutory conflict of interest requirements.

Provide support and advice to the Prime Minister and portfolio ministers on a range of national security and international issues, including advancing Canada's trade interests and addressing major developments in international affairs through:

- developing, implementing and coordinating policy on Canada-U.S. border issues;
- examining the implications of key issues and factors on Canadian foreign policy priorities, including changing security threats such as cyber security and the evolution of the G8/G20 and the global architecture;
- advancing the work of the National Security Advisor and the Special Advisor on Human Smuggling and Illegal Migration on policy and legislative approaches to combat human smuggling;
- ensuring the implementation of the Government's national security measures and initiatives;
- supporting the Prime Minister in his international leadership role, for example, through support for his participation in and hosting of summits and meetings; and
- advising on Canada's engagement in Afghanistan, providing whole-of-government leadership in the development of related strategic policy and integration, and ensuring coherence and consistency in communicating the mission in Afghanistan to Canadian, Afghan and international audiences.

Provide support and advice to the Prime Minister with regard to his constitutional responsibilities, and to the Prime Minister and portfolio ministers in the management and achievement of the legislative agenda. This includes:

- advising on the machinery of government, including matters such as the structure and organization of government, Cabinet decision-making processes, machinery of government changes and constitutional conventions (e.g. the role of the Governor General); and supporting swearing-in ceremonies for Ministry members and parliamentary secretaries;



- advising on key areas of legal import, giving early notice of issues, and ensuring compliance with court and statutory deadlines;
- advising on legislative initiatives and supporting parliamentary planning, including coordinating responses to Parliamentary Returns across government organizations; and
- advising on and supporting areas of government reform of particular interest, such as the Administrative Services Review.

### **Benefits for Canadians**

PCO's support and advice to the Prime Minister and portfolio ministers assist the Government in developing, choosing, articulating and implementing its priorities. For example, PCO's advice and support help the Government to identify priorities for the Speech from the Throne, its communications activities ensure that priorities are effectively positioned in the media environment and shared with Canadians, its integration efforts help to ensure that departments deliver on these policy directions, and its advice on organizing government helps to support smooth and effective operations.

As shown by the following measures, there is significant demand for high-quality advice, analyses and support under this program activity.

- In 2009-10, the Clerk signed off on 3,027 briefing materials.
- In 2009-10, PCO coordinated 2,300 Parliamentary Returns.
- In 2009-10, PCO processed 2,475,573 pieces of correspondence addressed to the Prime Minister.

Though the numbers can vary from year to year, similar numbers are expected in 2010-11 and 2011-12.

PCO has experienced a strong demand for advice and support to the Prime Minister and portfolio ministers, particularly in the areas of communications, foreign policy, international development, defence, security and intelligence. As the Government's need for advice in specific areas can vary and change over time, PCO aims to remain flexible and responsive as an organization, so that it can expand or reduce capacity as appropriate and provide support where needed most.

Program Activity 1.2: Cabinet and Cabinet committees' advice and support**Description**

This program activity supports the proper functioning of Cabinet and Cabinet committees and facilitates policy integration. As part of this work, PCO consults with departments and agencies, performs a challenge function in the policy development process, prepares briefing materials for the Prime Minister and the Cabinet, and distributes agendas and Cabinet documents. PCO also provides support for policy integration by helping to ensure that departmental proposals take into account the full range of issues related to implementation including, for example, issues linked to communications, parliamentary affairs and intergovernmental relations. These coordinating and horizontal oversight roles support the proper functioning of Cabinet and Cabinet committees, the integrity of Cabinet decision making and, ultimately, the implementation of the Government's agenda by line departments and agencies.<sup>7</sup>

Human Resources (FTEs) and Planned Spending (thousands of dollars)					
2011-12		2012-13		2013-14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
131	17,478	113	15,086	113	15,088

Program Activity Expected Results	Performance Indicators	Targets
The functioning and integrity of the Cabinet decision-making process are maintained.	<p>The Cabinet has received value-added information on which to base decisions.</p> <ul style="list-style-type: none"> <li>Number of full meetings of Cabinet and Cabinet committees</li> </ul> <p>Cabinet documents are distributed in a timely manner to ministers.</p> <p>Deputy ministers are regularly informed of the Government's agenda and activities.</p> <ul style="list-style-type: none"> <li>Number of deputy minister meetings and sessions</li> </ul> <p>Departments are able to prepare Memoranda to Cabinet and ministerial presentations that propose action to implement the Government's agenda.</p>	In the absence of targets, information related to advice and support to Cabinet and Cabinet committees is being collected. Over time, this information will support trend analysis and will contribute to efficient operations.

<sup>7</sup> PCO has responsibility for the operation of all Cabinet committees except Treasury Board. The current list of Cabinet committees is posted on PCO's website (<http://www.pco-bcp.gc.ca>).

## **Planning Summary**

In 2011-12, plans for the two sub-activities under Cabinet and Cabinet committees' advice and support include the following:

### **Operation of Cabinet committees**

PCO will continue to provide secretariat support to the Cabinet and to Cabinet committees, and to manage the flow of business related to decision-making processes. This operational support will include: scheduling meetings; inviting participants; proposing agendas; organizing meeting logistics; coordinating documents; preparing scenario notes and strategic policy briefings for agenda items; briefing committee chairs; and preparing reports, debriefs, minutes and records of decision.

PCO will also continue to work to facilitate the proper functioning of the Cabinet and its committees including, support to ensure that the structures and mandates of Cabinet committees are appropriate to the needs of the Prime Minister and the Government; and, support to ensure that Orders in Council (statutory instruments that allow the Government to legally implement decisions) are managed in accordance with prescribed procedures.

### **Integration across the federal government**

PCO will facilitate coordinated and aligned federal policy making, sharing of best practices, and efficient and effective government communications. For example, PCO will continue to engage in and support policy discussions at many levels, including interdepartmental consultations and specially convened meetings of deputy ministers. In addition, PCO will support ongoing meetings between the Clerk and the deputy ministers' community in relation to policy priorities and longer term policy development. Such forums help to ensure that deputy ministers have an opportunity to discuss key issues and to develop an integrated federal approach to the Government's major policy initiatives.



**Planning Highlights****Program Activity 1.2: Cabinet and Cabinet committees' advice and support**

Assist the Cabinet and Cabinet committees in developing policy, program and legislative initiatives to sustain Canada's economic and social development in a period of fiscal restraint by:

- facilitating informed discussions of the forward economic agenda, for example by providing briefings on current developments and challenges associated with economic recovery, deficit reduction and bringing closure to stimulus measures;
- helping to advance and coordinate the Government's economic policy by ensuring that Memoranda to Cabinet and Cabinet agendas focus efforts in priority areas identified in Budget 2011 and the Speech from the Throne;
- advancing PCO's challenge function for Memoranda to Cabinet on a range of economic and social topics in light of the current fiscal context; and
- working with the Treasury Board Secretariat to refine and implement the Government's approach to expenditure reductions, including providing a challenge function where relevant.

Help the Cabinet and Cabinet committees to deliver on plans to provide the conditions for economic growth and to further benefits to Canadian families and communities by:

- working with line departments to ensure that Memoranda to Cabinet address domestic priorities and challenges, including short-term priorities and challenges identified in Budget 2011 and the Speech from the Throne;
- advancing and coordinating efforts across departments in the area of medium-term policy planning;
- working with central agencies to ensure that Memoranda to Cabinet give due consideration to the perspectives of central agency stakeholders;
- supporting Cabinet processes and committees in the management of domestic priorities and issues by advancing broad, government-wide priorities and medium-term strategic thinking, and by providing timely, integrated, accurate, non-partisan advice and support on key domestic files;
- working with line departments to ensure that quality requirements have been met for Memoranda to Cabinet, including requirements linked to gender-based analysis and environmental assessment; and
- managing day-to-day activities that facilitate the work of Cabinet and Cabinet committees, including, for example: coordinating government responses to parliamentary committees; providing support for Orders in Council; preparing ministerial correspondence; responding to requests for

information; and providing logistical and secretariat support such as agenda and minutes development.

Provide support and advice to the Cabinet and Cabinet committees on a range of national security, intergovernmental and international issues, including advancing Canada's trade interests and addressing major developments in international affairs by, for example:

- providing a challenge function to departments and supporting the development of Memoranda to Cabinet linked to international policy and national security;
- facilitating informed discussion of international policy in Cabinet and Cabinet committees and supporting related decision making and implementation, for example by implementing and monitoring the Government's national security measures and initiatives; implementing the Government's response to the Air India Report; and coordinating the implementation of Canada's Arctic foreign policy; and
- coordinating Canada's engagement in Afghanistan; collaborating with line departments in the transformation of Canada's engagement in Afghanistan; and coordinating quality reporting to Parliament on the completion of the current mission in Afghanistan.<sup>8</sup>

### **Benefits for Canadians**

PCO's support to Cabinet and Cabinet committees plays a significant role in achieving integrated policy development and implementation across the federal government. As the following measures illustrate, PCO experienced significant demand for coordinated and integrated advice and support to the Cabinet and its committees in 2009-10.

- There were 2,022 Orders in Council.
- PCO processed a total of 1,859 Cabinet documents.

Though the numbers can vary from year to year, similar numbers are expected in 2010-11 and 2011-12.

In addition to supporting Cabinet and Cabinet committee operations, PCO provides advice and support in cases where there is need for an integrated federal approach. Through several coordinating roles, PCO works horizontally with other government departments to advance integrated policy, implementation and communications for domestic and international priorities and challenges. With policy issues becoming increasingly complex, PCO fulfills a heightened requirement for horizontal coordination in both the planning and the delivery of policy and initiatives.

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<sup>8</sup> <http://www.afghanistan.gc.ca>

Program Activity 1.3: Public service leadership and direction**Description**

PCO sets strategic direction for the Public Service of Canada and provides advice and support on the management of its senior personnel, with the goal of fostering a high-performing and accountable organization that has the talent, leadership capacity and management frameworks to deliver on the Government's agenda, now and into the future. This responsibility includes providing central direction and coordination to the government-wide Public Service Renewal agenda. Other activities include analysis and management of the challenges facing the leadership cadre, such as changing demographics, succession planning, performance management and leadership development.

Human Resources (FTEs) and Planned Spending (thousands of dollars)					
2011-12		2012-13		2013-14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
27	3,672	27	3,771	27	3,967

Program Activity Expected Results	Performance Indicators	Targets
The Public Service has the leadership, talent, capacity and management frameworks needed to provide advice on and implement the Government's agenda.	<p>The Public Service is engaged in renewal activities.</p> <p>The Prime Minister and the Clerk are provided with advice on Public Service Renewal.</p> <ul style="list-style-type: none"> <li>Number of meetings of the Prime Minister's Advisory Committee on the Public Service</li> <li>Number of meetings and sessions of the Deputy Minister Committee on Public Service Renewal and any sub-committees</li> </ul> <p>The Public Service and its leaders are provided with advice and support.</p> <ul style="list-style-type: none"> <li>Prime Minister's Advisory Committee on the Public Service's report</li> <li>Clerk's Annual Report</li> <li>Number of Clerk and Associate</li> </ul>	In the absence of targets, information on Public Service Renewal and senior personnel activities is being collected. Over time, this information will support trend analysis and will contribute to efficient operations.

	<p>Secretary outreach activities on Public Service Renewal</p> <p>The Committee of Senior Officials is provided with advice and support.</p> <ul style="list-style-type: none"> <li>• Number of Committee of Senior Officials and sub-committee meetings and sessions</li> </ul>	
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## **Planning Summary**

In 2011-12, plans for the two sub-activities under Public service leadership and direction include the following:

### **Renewal and human resources management of the Public Service**

PCO will support the renewal of the Public Service of Canada by continuing to ensure that the fundamentals for Public Service Renewal and excellence in public sector management are in place, including strong support for renewal at the departmental level, and appropriate attention to strengthening leadership and keeping the renewal agenda current. PCO will also engage senior management and other public servants in continuous renewal and in leading by example, and will work to modernize government operations and the workplace by working with departments to implement Administrative Services Review proposals.

### **Management of senior leaders**

PCO will continue to provide advice and support to the Deputy Minister Committee of Senior Officials and its sub-committees. For example, PCO will provide advice and support on the management of senior personnel, including advice on establishing and administering policies and services that promote high quality appointments; planning for future public service leadership needs; establishing, administering and reviewing compensation and classification policies; facilitating recruitment, retention and development of senior personnel; and providing a range of advice to advance the Government's public service management agenda and to support the Clerk in his role as head of the Public Service.

## Planning Highlights

### Program Activity 1.3: Public service leadership and direction

Promote excellence across the Public Service of Canada through Public Service Renewal and implementation of the Administrative Services Review by:

- advising the Clerk of the Privy Council and Associate Secretary to the Cabinet on forward-looking priorities and public-service-wide management and renewal issues, and aligning these priorities and issues with recommendations of the *Public Service Modernization Act* review and the outcome of the Administrative Services Review;
- advising the Clerk on the development of his Annual Report on the Public Service, including on its dissemination and on communicating its key messages;
- supporting the Deputy Minister Committee on Public Service Renewal;
- supporting the Prime Minister's Advisory Committee on the Public Service, including the development of the committee's Annual Report;
- supporting the Clerk of the Privy Council and the Associate Secretary to the Cabinet in improving the reach, impact and scope of outreach, engagement and recognition activities;
- monitoring and reporting on renewal-related activities of departments and agencies and supporting Management Accountability Framework assessments of departments and agencies;
- strengthening leadership capacity in the Public Service of Canada through promoting effective programs and services for leadership development; supporting the work of the Committee of Senior Officials; and supporting talent management for the deputy minister community and the senior public service ranks;
- providing opportunities, through the organization of multilateral meetings, for the Clerk and his provincial-territorial and international counterparts to share best practices and insights in areas such as Public Service Renewal and the delivery of services to Canadians; and
- supporting efforts to modernize public service operations through government-wide service improvements and efficiency measures arising from the Administrative Services Review.

### Benefits for Canadians

Renewal of the Public Service of Canada and management of senior personnel directly support the management and accountability goals of the Government. By helping the Public Service to address issues around renewal, such as the aging workforce, competitive labour markets and leadership in the senior cadre, PCO supports a workforce and workplace renewal that will ensure that the Public



Service has the capacity to serve the Government and Canadians with excellence over the coming years. In addition, through leadership of horizontal initiatives such as the Administrative Services Review, PCO contributes directly to the effective and efficient delivery of programs and services to Canadians.

Program Activity 1.4: Commissions of inquiry

**Description**

PCO provides commissions of inquiry with financial and administrative support. For example, when a commission is created, PCO can initiate arrangements for accommodation, furnishings and equipment. This support helps to ensure that the work of the commission proceeds efficiently. PCO can also provide for ongoing administrative advice and support in the following areas: staffing, acquisition services, contracting, financial services, accessing funding, records management, payroll support, posting information on websites on the Internet, translation, legal services, security and systems support.

Human Resources (FTEs) and Planned Spending (thousands of dollars)					
2011-12		2012-13		2013-14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
3	762	0	0	0	0

Funding under Commissions of inquiry is made available when commissions of inquiry are needed.

Program Activity Expected Results	Performance Indicators	Targets
Commissions of inquiry receive required resources as well as advice and guidance on financial and administrative matters.	Commissions of inquiry have received appropriate resources, as well as the necessary services, advice and guidance, in a timely manner.	No targets have been established for this activity.

## Planning Summary

Planned spending under this program activity includes funds for PCO financial and administrative advice as well as funds to support the inquiries themselves. In 2011-12, the planned spending and human resources identified for this program activity cover the forecast cost for the full operation of the following commission of inquiry:

Commission of Inquiry into the Decline of Sockeye Salmon in the Fraser River  
(<http://www.cohencommission.ca/>)

The mandate of this commission was recently extended to June 30, 2012. PCO will seek approval for additional funds to cover the operating costs during this extension.

## Planning Highlights

<b>Program Activity 1.4: Commissions of inquiry</b>
<ul style="list-style-type: none"><li>strengthening the management and accountability of government by facilitating investigations under and providing support to commissions of inquiry.</li></ul>



## Benefits for Canadians

PCO's support helps to ensure that commissions of inquiry are provided with adequate operating resources and support and guidance to carry out their mandates. Through its efforts on behalf of commissions of inquiry, PCO helps to support accountability in government.

## Program Activity 1.5: Internal services

### Description

PCO administers internal services in support of program activities and other corporate obligations. Internal services include management and oversight services; legal services; human resources management services; financial management services; information management services; information technology services; real property services; materiel services; acquisition services; corporate security; and travel and other administrative services.

<b>Human Resources (FTEs) and Planned Spending (thousands of dollars)</b>					
2011-12		2012-13		2013-14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
332	50,283	332	48,731	332	48,800

Internal services are those that are administered across the organization. Human resources and planned spending for services provided to a specific program area or for costs that can be attributed to particular sub-activities are not included under this program activity.

### **Planning Summary**

In 2011-12, PCO will undertake a variety of activities to strengthen its delivery of internal services. For example, PCO will continue to implement its Strategic Human Resources Plan 2010-2013, which is focused on the themes of career development, empowerment and innovation, and the work environment. The most important area of people management where PCO will focus attention in 2011-12 is career development including training, learning, on-the-job coaching and career progression initiatives. In particular, PCO will continue to focus efforts on providing support and opportunities for its administrative community, and on providing mentoring and coaching opportunities for newer entrants to the Public Service. Additionally, as in previous years, PCO will continue to integrate its strategic human resources plans with its business plans through its Integrated Business and Human Resources Plan. PCO will also promote staff awareness of the role of the Public Service and awareness of public service values and ethics, and of ways to be effective public servants. Finally, PCO will underline its own commitment to public service excellence by encouraging an informed, engaged and values-driven approach in daily work and by launching the new PCO Code on Values and Ethics.

### **Planning Highlights**

#### **Program Activity 1.5: Internal services**

**Achieve greater efficiency and effectiveness within PCO by:**

- maintaining an excellence-based performance culture, in particular through building a skilled and engaged workforce, developing and enhancing the skills and tools required to support high quality decision making, and supporting best practices in staff engagement, learning opportunities and knowledge development;
- advancing strategic human resources plans, including career development, performance management, language training and fast-lane



staffing initiatives; implementing the Administrative Services Community Action Plan; and developing toolkits on topics such as workload management, harassment prevention and cross-cultural awareness;

- engaging in proactive planning strategies, including seeking advance security clearance for top candidates in pools, developing succession plans that include recruitment of internal staff, reallocating files to promote effective collaboration, and filling key vacancies to achieve balanced teams and address temporary needs;
- ensuring that succession plans are developed in key areas of risk, including Operations, Plans and Priorities, Communications and Consultation, Legislation and House Planning, Machinery of Government, Legal Counsel and Intergovernmental Affairs;
- upgrading PCO's information technology systems;
- promoting effective information management, including compliance with Government of Canada policy, directives and standards for recordkeeping, and increased collaboration and information sharing;
- continuing to strengthen internal management practices related to financial management, human resources and access to information;
- developing a package of measures to improve coordination, cohesion and effectiveness in the use of security and emergency management resources, and improving levels of readiness for emergency and threat situations; and
- advancing work in areas such as expenditure management and performance measurement, and making changes to improve the way we do business.

### **Benefits for Canadians**

Through well-managed internal services, PCO secures organizational capacity into the future and ensures the proper functioning of the organization in its supporting and advisory roles. This facilitates PCO's support for the Government agenda and Government decision making.

## Section III – Supplementary Information

### Financial Highlights

The future-oriented financial highlights presented within this Report on Plans and Priorities are intended to serve as a general overview of PCO's financial operations. These future-oriented financial highlights are prepared on an accrual basis to strengthen accountability and improve transparency and financial management.

Future-oriented financial statements can be found on PCO's website (<http://www.pco-bcp.gc.ca/index.asp?lang=eng&Page=information&sub=publications&Doc=rpp/2011-2012/fs-ef-eng.htm>).

(thousands of dollars)

<b>Future-oriented Condensed Statement of Operations</b> For the years ending March 31, 2011 and 2012	<b>% Change</b>	<b>Future-oriented 2011-12</b>	<b>Future-oriented 2010-11</b>
<b>EXPENSES</b>			
Total Expenses	-13.12%	161,612	186,021
<b>REVENUES</b>			
Total Revenues	5.44%	9,052	8,585
<b>NET COST OF OPERATIONS</b>	<b>-14.02%</b>	<b>152,560</b>	<b>177,436</b>

The forecasted decrease of \$24 million in the level of expenditures for fiscal year 2011-12 in comparison with fiscal year 2010-11, is mainly due to a reduction in PCO's reference level. This reduction is explained by sunseting funding in the amount of \$6.8 million for Canada's Economic Action Plan, the Panel of Arbiters, the Office of the Coordinator for the 2010 Olympics and G8 Security, the Administrative Services Review, the Office of the Special Advisor on Human Smuggling and Illegal Migration and the Afghanistan Task Force. In addition, the Commissions of inquiry funding will sunset in the amount of \$14.4 million. There is also a forecasted decrease of \$2 million in the following non-appropriated accounts: vacation pay, severance pay, contingent liabilities, services provided without charge from other government departments and work in progress.

(thousands of dollars)

<b>Future-oriented Condensed Statement of Financial Position</b> For the years ending March 31, 2011 and 2012	<b>% Change</b>	<b>Future-oriented 2011-12</b>	<b>Future-oriented 2010-11</b>
<b>ASSETS</b>			
Total Assets	-7.16%	24,194	26,059
<b>LIABILITIES AND EQUITY OF CANADA</b>			
Total Liabilities	-8.61%	37,705	41,257
Total Equity	-11.10%	-13,511	-15,198
<b>Total liabilities and equity of Canada</b>	<b>-7.16%</b>	<b>24,194</b>	<b>26,059</b>

The forecasted decrease of \$1.8 million in the total liabilities and equity of Canada (statement of Financial Position) for fiscal year 2011-12 compared to fiscal year 2010-11, is mainly due to an anticipated decrease of \$24 million in PCO's net cost of operation, which will result in a lower level of acquisitions of assets and fewer liabilities.

### List of Tables

All electronic Supplementary Information tables found in the 2011-12 *Report on Plans and Priorities* can be found on the Treasury Board of Canada Secretariat's website at <http://www.tbs-sct.gc.ca/rpp/2011-2012/info/info-eng.asp>.

- Upcoming Internal Audits and Evaluations over the next three fiscal years
- Sources of Respendable and Non-respendable Revenue
- Summary of Capital Spending by Program Activity

### Other Items of Interest

- Three-Year Plan for Transfer Payment Programs (<http://www.pco-bcp.gc.ca/dg/transferreport.asp?lang=eng>)
- Green Procurement Reporting for Departments and Agencies Not Bound by the Federal Sustainable Development Act (<http://www.pco-bcp.gc.ca/index.asp?lang=eng&Page=information&Sub=publications&Doc=rpp/2011-2012/green-vert-eng.htm>)

**Contacts for further information:**

Privy Council Office  
General Inquiries  
Room 1000  
85 Sparks Street  
Ottawa, Ontario  
K1A 0A3  
Canada

Telephone: 613-957-5153  
TTY: 613-957-5741  
Fax: 613-957-5043  
Email: [info@pco-bcp.gc.ca](mailto:info@pco-bcp.gc.ca)